their continued commitment to achieving a comprehensive and internationally acceptable solution to the question of East Timor.

Meanwhile, the question has been the subject of annual review by the Special Committee on decolonization. The latest review was in August 1990.

Portugal's representative told the Special Committee then that his Government was taking part in talks which, under the auspices of the United Nations Secretary-General, had been held with Indonesian representatives. The talks aimed at reaching agreement on the terms of reference, modalities and timing that would eventually allow a visit by a Portuguese parliamentary delegation to East Timor to take place in the near future.

FALKLAND ISLANDS
(MALVINAS)
0 1000 2000 3000 km
NORTH AMERICA
EUROPE
AFRICA
SOUTH
AMERICA
ATLANTIC
OCEAN
PACIFIC OCEAN
ANTARCTICA
INDIAN OCEAN
Bermuda
Lisbon
Buenos Aires
Falkland
(Malvinas) Is.
South Georgia
South
Sandwich Is.
Cape Town
Christchurch
Kerguelen

claimed sovereignty over the islands in 1820, and in 1829, sent Luis Vernet to establish a Political and Military Command of the Malvinas, to which Britain objected. In 1833, the Argentine Governor was forced to leave as Britain re-established its presence in the Territory, reasserting British sovereignty. Argentina has continued to claim sovereignty over the Territory.

Since 1965, issues relating to the Territory had been the subject of bilateral negotiations. In 1982, war broke out following the landing of Argentine forces on the island in April. The Security Council met several times between April and June 1982, seeking an immediate cessation of hostilities. Efforts by the Council and by the Secretary-General did not end the hostilities, which came to a *de facto* conclusion in June 1982 after British forces retook the capital city from Argentine forces.

At its 1982 session, the General Assembly requested the Secretary-General to undertake a mission of good offices to assist the Governments of Argentina and the United Kingdom to resume negotiations in order to find as soon as possible a peaceful solution to the sovereignty dispute relating to the Territory. The Secretary-General undertook such a mission.

In 1983 and in subsequent years, the Assembly asked the two Governments to resume the negotiations. In 1986, it reiterated its request that they initiate negotiations with a view to finding the means to resolve peacefully and definitively the problems pending between them, including all aspects of the future of the Falkland Islands (Malvinas), in accordance with the United Nations Charter. It also asked the Secretary-General to continue his renewed mission of good offices to assist the parties in complying with its request.

The United Kingdom has maintained its position that, while desirous of improving bilateral relations with Argentina, it is not willing to have included in any talks towards that end the question of sovereignty over the Falkland Islands (Malvinas). It stood by its policy that the wishes of the islanders were paramount.

Argentina has maintained its position reaffirming its sovereignty over the Falkland Islands (Malvinas), South Georgia and the South Sandwich Islands. It has reaffirmed its readiness to resume negotiations with the United Kingdom, provided that the question of sovereignty was not excluded from the dialogue. It has also reaffirmed its readiness to settle all issues outstanding between the two countries, including all aspects of the future of the islands, in accordance with the Assembly's 1981 resolution on the question.

In 1988, following his inauguration as President of Argentina, Mr. Carlos Menem stated on 10 July that the aim of his Government was "to create situations that encourage us to talk, to channel this issue of relations between England and Argentina, leaving the subject of sovereignty over the islands aside, not forgotten or abandoned, but under a protective 'umbrella'. In so far as. . .England avoids the sovereignty question, we are also going to play it gently, not hammer away at it, but meanwhile we will move forward in terms of dialogue so as to restore relations."

During its consideration of the question in 1990, the Special Committee on decolonization reiterated that the

Council. Elections to the Council are held every four years unless the Governor dissolves the Council earlier.

Under an Electoral Ordinance passed by the Legislative Council in 1988, the Territory was divided into two constituencies: the Stanley Constituency, made up of the town of Stanley and its neighbourhood; and the Camp Constituency, made up of the rest of the Territory. There are four elected members for each constituency. Only registered voters who are at least 21 years of age are entitled to stand for election.

The Supreme Court consists solely of a Chief Justice. Provision exists for a Court of Appeal, which may sit in the Falkland Islands (Malvinas) or elsewhere. In certain cases, appeals may be made to the Judicial Committee of the Privy Council in the United Kingdom.

ECONOMIC AND SOCIAL CONDITIONS

The Falkland Islands Interim Conservation and Management Zone (FICZ) was established in 1987. After that, the Territory's economy, which had been almost entirely dependent on the production and export of wool, was dramatically transformed by the increased importance of fisheries, which have become the greatest source of revenue, yielding almost £20 million in 1988.

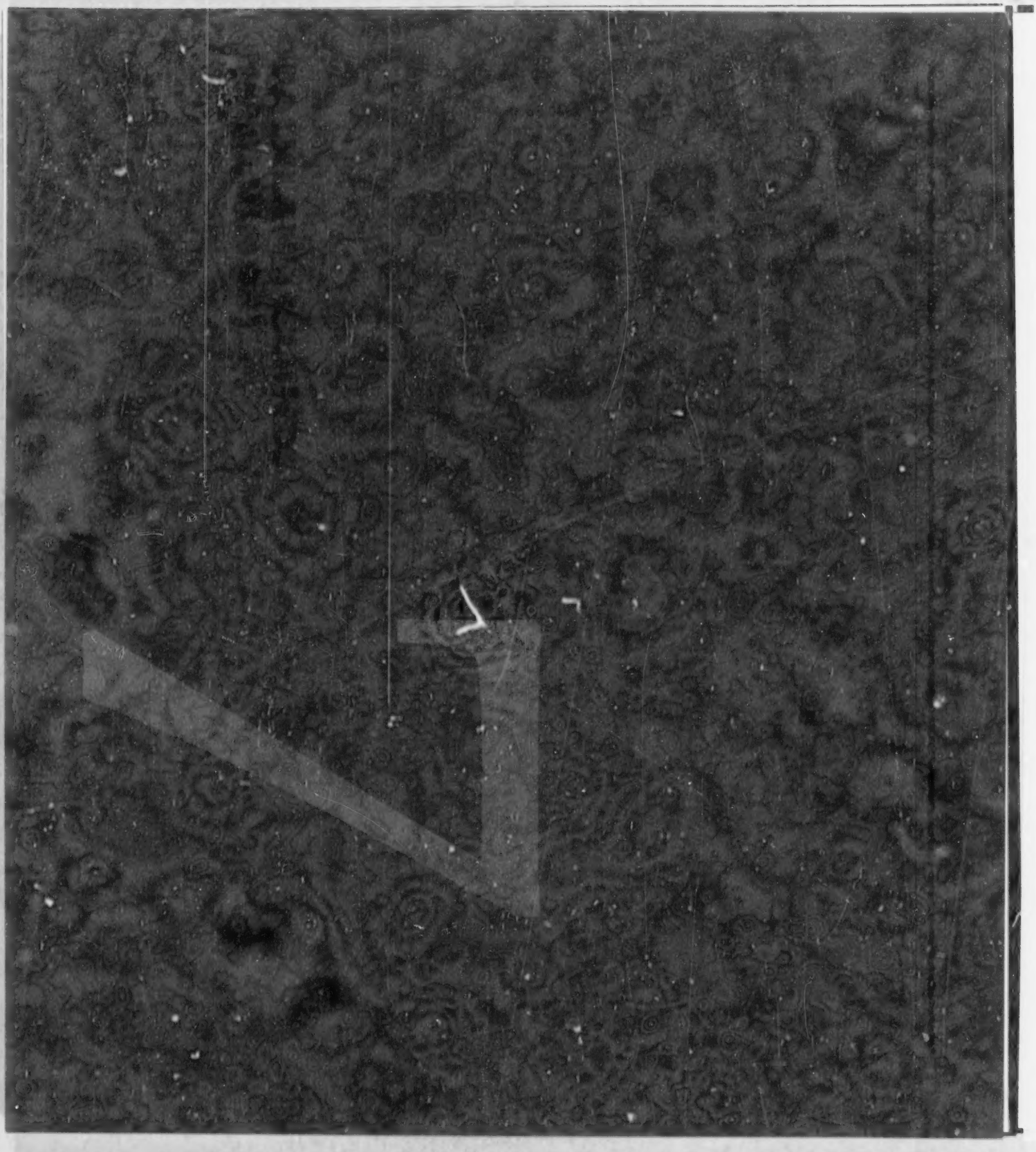
The FICZ was established to protect fish stocks from being over-exploited. Vessels fishing inside the zone require a licence from the Falklands Islands Government, which considers that preference should be given to companies prepared to go into a joint venture with Stanley Fisheries Limited, a subsidiary of the Falkland Islands Development Corporation (FIDC)—the general economic development advisory board of the territorial Government. The licence fees are kept fairly low, but licencees are required to pay an equal sum into a joint venture, 51 per cent owned by Stanley Fisheries Limited, and 49 per cent by foreign companies.

In a report issued in March 1989 reviewing the first two years of operations of FICZ, the Falkland Islands Government stated that although the operations had been financially successful, the arrangement had some flaws. Too much of the money received as payment for licences was spent in the United Kingdom on buying second-hand trawlers, converting them and paying British crews appropriately to operate them. The 51 per cent stake held by Stanley Fisheries, Ltd., remained at minimal value because the full potential of none of the joint ventures had been developed. One company had gone into liquidation, requiring the Falkland Islands Government to repay an unsecured £9 million loan and to start an official inquiry into the matter.

It was later reported that by the end of 1989, the remaining 17 or 18 joint ventures were being wound up by the Attorney-General at a loss to the Islands estimated at between £25 million and £30 million.

In 1989, there were some 200 vessels licensed to fish in the FICZ, compared with 600 in 1986 when there was no formal regulation. The total catch from the FICZ was just over 400,000 tons. Licence fees yielded approximately £28 million, about 70 per cent of the Territory's revenue.

The Falklands Islands Company owns approximately 43 per cent of the total farmland. The territorial Government



FALKLAND ISLANDS (MALVINAS)

The Falkland Islands (Malvinas) are situated in the south Atlantic, about 772 kilometres north-east of Cape Horn and about 480 km east of the southern Argentine mainland. They comprise two large islands, East and West Falkland, and some 200 smaller ones, covering a total area of approximately 12,173 square kilometres. South Georgia is an island of 3,592 square kilometres situated about 1,300 km east-south-east of the Falkland Islands (Malvinas) group, and the South Sandwich Islands, covering an area of 311 square kilometres, lie about 750 km east-south-east of South Georgia. Neither of them has an indigenous or permanent population.

GENERAL BACKGROUND AND DEVELOPMENTS

The archipelago was sighted as early as 1520 during Ferdinand Magellan's expedition. In 1690, a British sea captain, John Strong, gave the name "Falkland" to the sound between the two main islands in the group, after Lucius Carey, Viscount Falkland, then treasurer of the British Royal Navy. In 1764, a Frenchman, Louis Antoine de Bougainville, founded a settlement. The Spanish and the British both subsequently established settlements in the islands.

Both claimed sovereignty over them. The British closed their establishment in 1774, retaining the sovereignty claim. Spain withdrew its Governor in 1811 and the islands became uninhabited.

Having become independent in 1816 and claiming inheritance of territorial jurisdiction from Spain, Argentina

LOCATION: South Atlantic

CAPITAL: Stanley (on East Falkland)

AREA: 12,173 square kilometres

POPULATION (Nov. 1986): 1,916, excluding military personnel and contract workers

ADMINISTERING POWER: United Kingdom

way to put an end to the special and particular colonial situation of the Falkland Islands (Malvinas) would be the peaceful and negotiated settlement of the dispute over sovereignty between the Governments of Argentina and the United Kingdom.

The Committee took note with satisfaction that Argentina had reiterated its intention to comply with the General Assembly resolutions referring to the Falkland Islands (Malvinas) and regretted that none the less the implementation of the General Assembly resolutions had not yet started. The Committee urged Argentina and the United Kingdom to consolidate the current process of dialogue and bilateral co-operation by resuming negotiations to find a peaceful solution to the sovereignty dispute as soon as possible.

The Special Committee also reiterated its firm support for the renewed mission of good offices undertaken by the Secretary-General to assist the parties in complying with the requests made by the General Assembly in its resolutions on the question.

[In December 1990, the General Assembly decided to defer consideration of the question of the Falkland Islands (Malvinas) and to include it in the provisional agenda of the forty-sixth (1991) session.]

The United Kingdom and Argentine Governments held meetings during the latter part of 1989 and in 1990 and agreed to re-establish diplomatic relations, leaving aside the question of sovereignty.

On 26 February 1990, Argentina and the United Kingdom reopened their respective embassies in Buenos Aires and London.

ADMINISTRATION

The Constitution for the Falkland Islands (Malvinas) has been in force since 18 April 1985. From that date, South Georgia and the South Sandwich Islands have had their own Constitution and ceased to be governed as dependencies of the Falkland Islands (Malvinas). They continue, however, to be administered from Stanley "purely as a matter of convenience", and the Governor of the Falkland Islands (Malvinas) concurrently holds the office of Commissioner for the Territories.

The Constitution replaced a series of instruments containing constitutional arrangements dating back to 1948. It re-established the office of a Governor, appointed by the Queen, which had been suspended in 1982. The Governor must consult with the officer commanding the British forces in the islands (Commander British Forces) on matters relating to defence or internal security, except for those matters which are the responsibility of the police.

Executive authority is vested in the Queen and is exercised by the Governor on behalf of the Crown. An Executive Council (presided over by the Governor) consists of two *ex officio* members (the Chief Executive and the Financial Secretary) and three members elected annually by the elected members of the Legislative Council from among themselves. The Governor may act without consulting the Executive Council in certain matters. If he acts against the Council's advice, he must report the matter to the Secretary of State without delay.

The Legislative Council consists of eight elected members and the two *ex officio* members of the Executive

has been acquiring the islands' huge, absentee-owned sheep ranches. It has been subdividing and selling them in smaller units to local farmers, thus encouraging the evolution of a farming system based on owner-occupation and enabling local farmers to retain earnings at home.

As a result of the subdivision, the number of farms has increased from 36 in the late 1970s to 86 at present, and only three of the very large farms are left. A direct consequence of the subdivision has been a transfer of majority ownership from overseas to the islands. Before 1980, 76 per cent of the land was owned by overseas companies, compared to 25 per cent at present.

There are close to 700,000 sheep in the Territory which exports 2,000 tons of raw wool annually. This represents 0.6 per cent of the world market, as compared to 1.96 per cent exported by the United Kingdom and 28 per cent by Australia. The wool is popular for its soft quality.

With assistance from the FIDC, a number of small business operations have been established, including an electrical contractor, a garage, a retailing co-operative and a restaurant/bar.

Falkland Islands Tourism, Ltd., a subsidiary of the FIDC established in 1985, promotes the islands as a tourist destination. It has financed the construction of one new tourist lodge and assisted in the establishment of others. Tourism is rapidly becoming the Territory's third largest industry, showing substantial returns after only its third operating season.

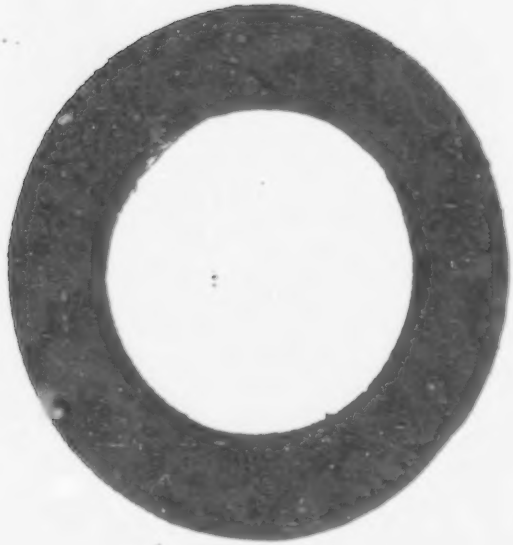
Education is free. According to the administering Power, there is virtually no illiteracy in the Territory. For the year 1987/88, expenditure on education was £743,840. Medical and dental treatment as well as medicines are free to residents. A new civilian/military 28-bed hospital was opened in December 1987. Expenditure on all aspects of health care and public health for 1990/91 is estimated at £1,846,510.

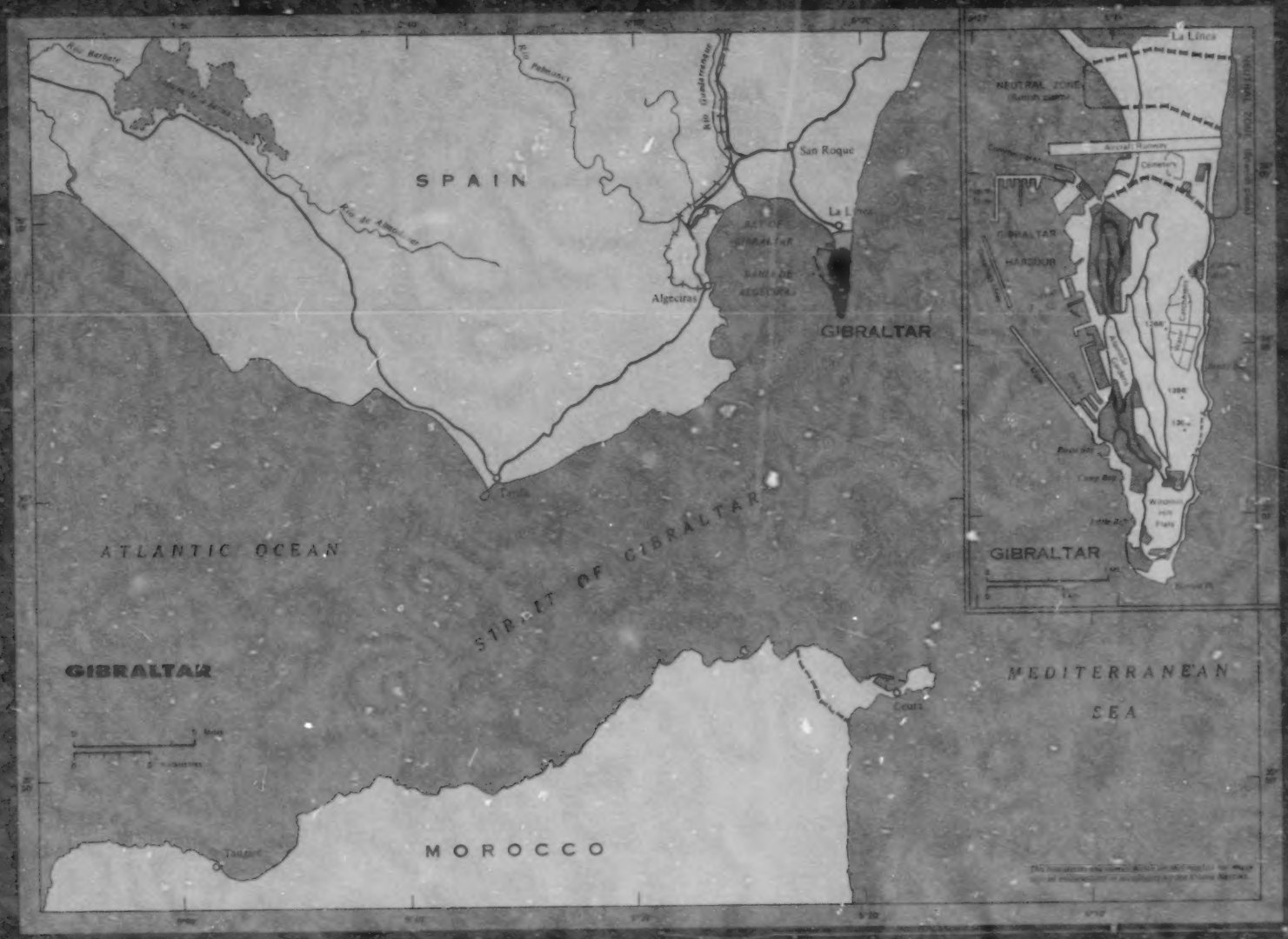
PUBLIC FINANCE

Ordinary revenue amounted to £42.1 million for the year ended June 1989, an increase of almost £3 million as compared to the previous year. The gain reflected increased fisheries revenues.

Total expenditure amounted to £32.6 million in 1989. The main imports are food products and tobacco, manufactured goods, machinery and transport equipment.

The United Kingdom is the main trade partner. Total imports in 1986 were valued at £5.1 million, and total exports, consisting mainly of wool, were worth £2 million.




SPAIN
Río Barbate
Río Palmones
Río Guadarranque
Río de Almodóvar
San Roque
La Línea
Algeciras
GIBRALTAR
BAY OF GIBRALTAR
BAHÍA DE ALGECIRAS
Tarifa
ATLANTIC OCEAN
STRAIT OF GIBRALTAR
GIBRALTAR
MEDITERRANEAN SEA
Ceuta
MOROCCO
Tangier
La Linea
NEUTRAL ZONE
Airport Runway
Cemetery
GIBRALTAR HARBOUR
Governor's Cottages
Rosia Bay
Camp Bay
Europa Point
Europa Pt. Light
GIBRALTAR

the United Kingdom maintains it was granted sovereignty over Gibraltar in perpetuity. Spain has maintained that Gibraltar is part of its sovereign territory and was not ceded to the United Kingdom under that Treaty.

A referendum was conducted in Gibraltar in 1967. Its result indicated that the majority of Gibraltarians wished the United Kingdom to maintain its sovereignty there. The United Nations General Assembly and the Special Committee on decolonization, however, declared that holding the referendum contravened prior resolutions, specifically an Assembly resolution of the previous year. In calling for continued negotiations, that resolution had asked the United Kingdom to expedite, without any hindrance and in consultation with Spain, the decolonization of Gibraltar.

ADMINISTRATION

The 1969 Constitution provides for a single House of Assembly consisting of 15 elected members together with a Speaker, the Attorney-General and the Financial and Development Secretary as *ex officio* members. Elections for the House of Assembly take place every four years. The last one, in March 1988, led to a change in government.

Executive authority is vested in the Governor, who is responsible for defence, external affairs, internal security and all matters that are not expressly defined as being of domestic concern.

The Council of Ministers consists of a Chief Minister appointed by the Governor from among the elected members of the House of Assembly and from four to eight other ministers. The Council is collectively responsible to the House of Assembly regarding any matter for which a minister is responsible.

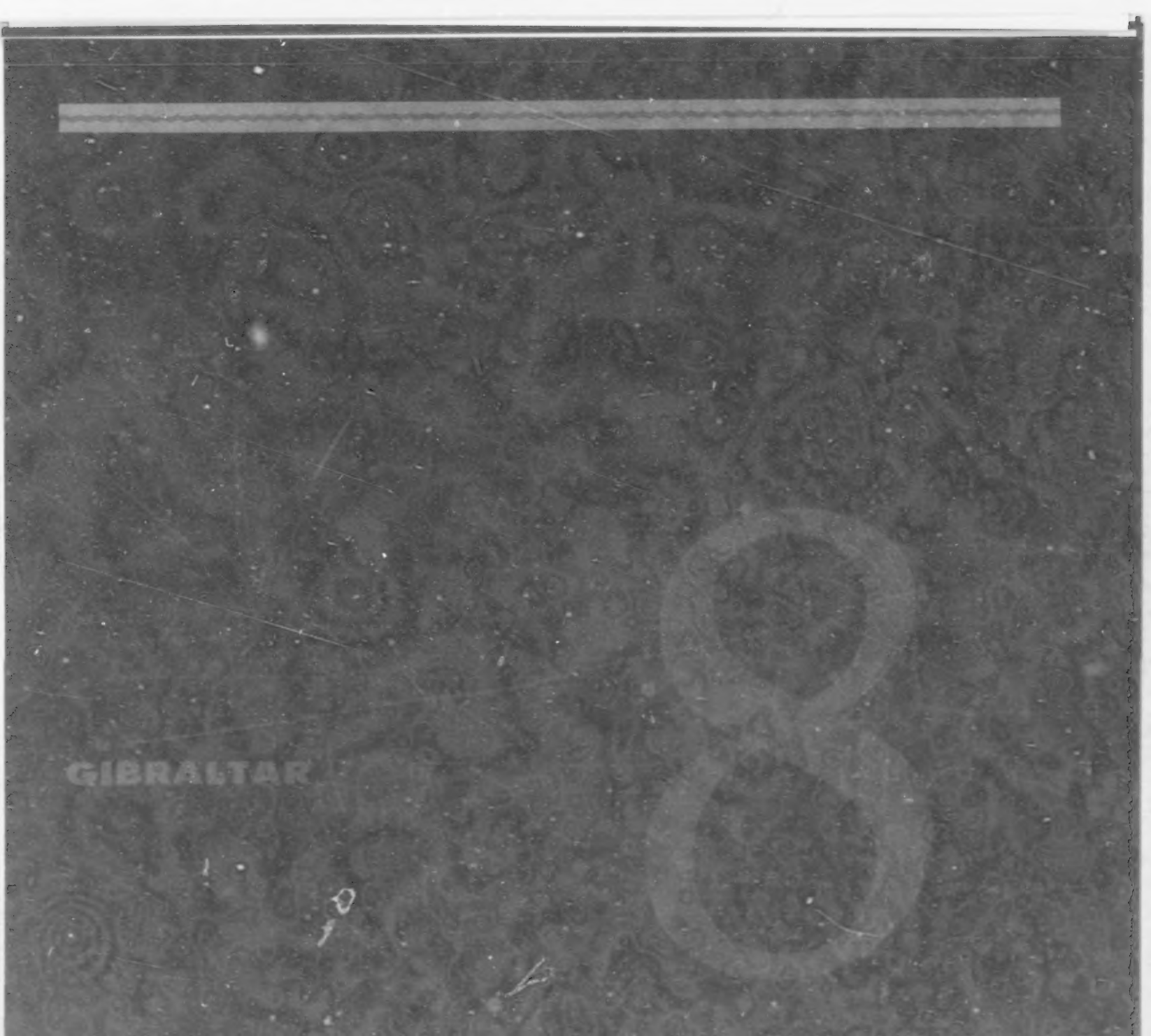
The Gibraltar Council consists of the Deputy Governor, the Deputy Fortress Commander, the Attorney General and the Financial and Development Secretary, together with the Chief Minister and four Governor-designated ministers. The Gibraltar Council is the main body normally consulted by the Governor in the formulation of policy and the exercise of constitutional powers.

The judiciary is composed of a Chief Justice for the Supreme Court, a Judge of the Court of the First Instance and a Stipendiary Magistrate for the Magistrates' Court. The Constitution provides for a Court of Appeal as an intermediate court between the Supreme Court and the Judicial Committee of the Privy Council in the United Kingdom. The Chief Justice, the President of the Court of Appeal and the justices of appeal are appointed by the Governor on instructions of the Crown.

United Kingdom military installations consist of logistic facilities for naval vessels, a maritime headquarters, an airfield and headquarters of the Royal Air Force, and an army garrison. A naval dockyard was formally handed over on 31 December 1984 to the Government of Gibraltar, which now runs it as a commercial ship repair operation.

ECONOMIC AND SOCIAL CONDITIONS

There are no known natural resources. Industry, trade and services are mainly involved in supplying the needs of


GIBRALTAR

GIBRALTAR

Gibraltar is a narrow peninsula extending southward from the south-west coast of Spain, to which it is connected by an isthmus about 1.6 kilometres long. The Spanish port of Algeciras lies 8 km across the bay to the west, Africa is 32 km across the strait to the south and the Mediterranean Sea is to the east.

The Territory remains under conflicting claims by the United Kingdom, which has exercised sovereignty there since the eighteenth century, and Spain, to which it is linked by geographical and historical ties.

According to the United Kingdom, the total area of Gibraltar is 5.86 square kilometres, and according to Spain it is 4.80 square kilometres.

According to the last census, in November 1981, Gibraltar's civilian population was 26,479, comprising 19,825 Gibraltarians, 3,706 other British subjects (excluding families of British servicemen stationed in Gibraltar) and 2,948 aliens. In 1987, the estimated civilian population was 29,692.

HISTORICAL BACKGROUND

Waves of conquerors—including Moors, Normans, Almohads and Castilians—swept through Gibraltar in past centuries. In 1469, a Spanish grand duke was given title to the Territory, but Queen Isabella succeeded in having it ceded in 1501 to the Spanish Crown. Following the War of the Spanish Succession, Gibraltar was declared a British colony in 1713 by the Treaty of Utrecht, under which

LOCATION: Western Mediterranean

AREA: 5.86 square kilometres (United Kingdom)
4.80 square kilometres (Spain)

POPULATION (1987 Est.): 29,692

ADMINISTERING POWER: United Kingdom

the civilian community and the garrison. The economy is largely dependent on tourism and financial services, such as banking, insurance, shipping and portfolio management.

Economic growth showed 8.6 per cent and 10 per cent increases respectively for 1988 and 1989—a progress deemed well in keeping with the Government's goal of 50 per cent growth by 1992. Financial assistance by the United Kingdom in the financial year 1988/89 was £8,733,000. The Territory's outstanding debt under the British Overseas Development Administration at the end of the same period stood at £902,075. The United Kingdom expenditure on aid to Gibraltar in 1989/90 is expected to be about £500,000.

During 1989, in its continuing efforts to attract international investment, the Government established overseas representatives' offices in the United States, Hong Kong and Japan. Gibraltar's main objective is to provide a financial safe haven protected by British troops on the southern tip of Europe.

During the past four years the number of banks represented in Gibraltar tripled to 25. Their total assets rose by 70 per cent in 1988 alone, to close to $US 2 billion. The opening of foreign banks has increased job opportunities for local residents, employing some 900 persons in different financial services.

Since the opening of the border in 1985, tourism has grown into a £1 million industry for Gibraltar. No recent figures are available for the number of tourist arrivals, which, in 1987, rose to 3,189,490. Expenditure by tourists was estimated at £4 million in 1989.

Gibraltar's commercial shipyard, Gibrepair, continued to suffer from operational losses amounting, in 1988, to £7.9 million and, in 1989, to £5.9 million. In March 1990, the Government decided to impose mandatory redundancy on 24 workers, despite its previous assurances that redundancy would be only voluntary.

The second phase of the Westside housing project, Westside II, was launched in February 1990 to provide 778 units. It aims at a lower income bracket and, together with Westside I, will make available a total of 1,600 units.

Medical facilities include a 192-bed hospital, a maternity centre and two other medical institutions.

Education is free and compulsory for children between five and 15 years old. At the end of 1987, 3,586 pupils were enrolled in 12 government, one private and two service primary schools.

A further 1,751 pupils were enrolled in two government secondary schools. Technical and vocational training is provided at the two government comprehensive secondary schools as well as at the Gibraltar College of Further Education.

FUTURE POLITICAL STATUS

Since 1965, the General Assembly has invited the Governments of the United Kingdom and Spain to negotiate their disagreement on the status and situation of Gibraltar. The objective, as stated in 1967, was to put an end to the colonial situation in Gibraltar and to safeguard the interests of the population upon termination of that situation. The following year, the Assembly declared that continuation